Law Office of

# James C. Thomas III FEDERAL ELECTION CCHMISSION

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2010 MAY -3 PM 1: 24

OFFICE OF GENERAL COUNSEL

April 30, 2010

#### **VIA FEDERAL EXPRESS**

Jeff S. Jordan
Supervising Attorney
Complaints Examination &
Legal Administration
Federal Election Commission
999 E Street, NW
Washington, D.C. 20463

Re: Billy Long for Congress

Matter Number: MUR 6271

Dear Mr. Jordan:

I am counsel for Billy Long for Congress (the "Committee"). The Committee has received your letter dated April 16, 2010 addressed to Mr. Ron Neville, as treasurer of the Committee. Essentially identical letters were sent to the candidate, Billy Long, and J. Mark Haseltine at Billy Long Auctions, LLC (the "Company"). I have interviewed all of these letter recipients and am making this response on behalf of all of them. (I have actually interviewed representatives of the Company instead of Mr. Haseltine. Mr. Haseltine is a lawyer and the registered agent for the Company, but he is not involved with the Company's operations.) In that regard, I have enclosed a Statement of Designation of Counsel for each of these letter recipients.

Your letter states that you have received a complaint that indicates that the Committee may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). Your letter attaches the complaint. The complaining party is Clayton Bowler of Ozark, Missouri, who for months has maintained an anti-Long blog on the internet. We are uncertain whether Mr. Bowler is acting independently or whether he has a connection with one of the other candidates in the campaign to fill the open 7th Congressional District seat in Missouri. However, it is disturbing that Mr. Bowler's complaint includes several factual misstatements and is otherwise based upon speculation without any factual support for his conclusions.

Although the complaint includes numerous claims, let me attempt to provide a short list of Mr. Bowler's assertions:

1. The Company is making illegal corporate contributions.

Mr. Jeff S. Jordon, Supervising Atttorney Complaints Examination & Legal Administration Federal Election Commission April 30, 2010

- 2. The Committee is not paying for the use of office space and office staff at the Company.
- 3. Curtis Trent is working for the Committee while on the payroll of the Company.

### Illegal corporate contributions

The first assertion in Mr. Bowler's complaint is clearly not supported by the facts. Mr. Bowler claims that the Company is making illegal corporate contributions to the Committee. First, Mr. Bowler has apparently not bothered to review the reports that have been filed with the FEC which clearly show that the Company is NOT a corporation. It is a limited liability company as is clearly indicated by the name of the Company: Billy Long Auctions, <u>LLC</u>. (emphasis added.) For your information I have attached the Articles of Organization which the Company has filed with the Missouri Secretary of State and the Certificate of Organization which has been issued by the Missouri Secretary of State. It is obviously not possible for the Company to make illegal corporate contributions to the Committee when it is not a corporation.

#### Use of Office Space and Office Staff of the Company

Related to Mr. Bowler's first complaint, he claims that the Committee is making some sort of illegal use of the office space and office staff of the Company. Again, Mr. Bowler makes these assertions without considering all of the facts and without reviewing the reports that have been filed with FEC. These reports show that the Committee has regularly made payments to the Company to reimburse the Company for certain expenses. The reports that have been filed with the FEC show the following reimbursements to the Company:

Date	Amount	Description
3/31/09	\$ 352.00	Office Staff & Supplies
6/30/09	1,057.04	Office Staff & Supplies
7/06/09	969.81	Advertising Reimbursement
9/30/09	1 <b>,880.84</b>	Staff time, Postage & Rental
10/21/09	<b>783.76</b>	Stamps, Envelopes, Labels
11/04/09	451.40	Fundraiser Mailing Expense
12/31/09	<b>2,810.86</b>	Office Staff, Space, Phones
3/31/10	2,660.44	Office Rent, Billboard, Office Staff and
		Postage
Tetal	<b>\$ 10,966.15</b>	-

For your information, I have also attached the internal billings from the Company to the Committee that provide additional detail with respect to these reimbursed expenses.

Mr. Jeff S. Jordon, Supervising Atttorney Complaints Examination & Legal Administration Federal Election Commission April 30, 2010

The Committee sincerely believes that it has reimbursed the Company for the proper amount of each of these expenditures and for all items that have been provided to the Committee by the Company. If it is determined that the Committee has not reimbursed the Company for some item or that the Committee has not adequately reimbursed the Company for an item, the Committee would likely adjust its reimbursement in accordance with such determination. However, if the Committee did not provide additional reimbursement to the Company, the unadjusted reimbursement could legitimately be considered an in-kind contribution by the Company. Such in-kind contribution would also not have any issues with being limited to a specific dollar amount. Mr. Long is the 100% owner of the Company. Any in-kind contributions from the Company would be allocated to Mr. Long in a similar manner to any other partnership/LLC contribution. And, since essentially unlimited contributions from Mr. Long, as the candidate, are permitted, no excess contributions would have occurred.

## **Curtis Trent**

Mr. Bowler's complaint also raises questions about the work that Curtis Trent does for the Committee and the Company. Mr. Bowler is under the mistaken impression that Mr. Trent works for both the Committee and the Company. He does not. He is a recent law school graduate and passer of the bar exam and not an auctioneer. Mr. Trent does not work for the Company. Mr. Trent works solely for the campaign. Mr. Bowler again apparently failed to actually review the FEC reports that have been filed by the Committee. These reports show the following payments to Mr. Trent:

Date	Amount	<b>Description</b>
9/30/09	\$ 1,500.00	Campaign logistical, Phones
10/30/09	2,000.00	Campaign logistics
11/03/09	371.92	Travel expenses
11/30/09	2,000.00	Campaign logistics
12/30/09	2,000.00	Campaign logistics
12/30/09	549.86	Mileage & Supplies Reim.
1/30/10	2,000.00	Campaign logistics
<b>2/28</b> /10	2,000.00	Campaign logistics
3/10/10	415.20	Travel expenses reim.
3/30/10	2,000.00	Campaign logistics
3/31/10	314.71	Mileage, Event Registration
Total	\$15,151.69	-

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For your information, I have also attached the internal billings from Mr. Trent to the Committee that provide additional detail with respect to the reimbursement to Mr. Trent for certain expenses.

#### **Conclusion**

I hope this assists you in your review of the facts regarding the complaint. As detailed herein, all of the items raised in the complaint are without merit. I had considered providing affidavits to you to support the factual statements in this letter. I have not done that at this time because I wanted to give you an opportunity to review this response and let me know if there are other items in the complaint that you want me to address. Once I have been able to determine whether there are any other items that you would like to see addressed, I would be glad to obtain supporting affidavits from the recipients of your initial letter. Please contact me to discuss this.

If I can provide any additional information, please contact me.

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James Of homas III

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**Enclosures** 



## FEDERAL ELECTION COMMISSION 999 E Street, NW Washington, DC 20463

# STATEMENT OF DESIGNATION OF COUNSEL Please use one form for each Respondent/Client FAX (202) 219-3923

MUR # 6271
NAME OF COUNSEL: James C. Thomas III
FIRM: Law Offices of James C. Thomas III
ADDRESS: 4131 N. Mulberry Drive Suite 200
Kansas City MO 64116
TELEPHONE- OFFICE (816) 584 - 9393 ext 224
FAX (816) 584 - 9394
The above-named individual and/or firm is hereby designated as my
counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.
4/29/10
Date Respondent/ Client signature Title
$\mathcal{D}_{\mathcal{O}}$
RESPONDENT/CLIENT Billy Long (Please Print)
MAILING 1675-F E Seminole St.
Springfield MO 65804
. I J '
TELEPHONE- HOME
BUSINESS (417) 882-5664

Information is being sought as part of an investigation being conducted by the Federal Election Commission and the confidentially provisions of 2 U.S.C. § 457g(s)(12)(A) apply. This section prohibits making public any investigation conducted by the Federal Election Commission without the express written consent of the person under investigation



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Date Ont mode Respondent Client Signature Billy Lay Suching LLC
RESPONDENTIOLIENT BULL Lang Death CLC (Please Print)
ADDRESS: 1675 - F. E. Seminole St.
Springfield. Mo 65804
TELEPHONE-HOME (417) 882-5664
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## State of Missouri



Robin Carnahan Secretary of State

#### CERTIFICATE OF ORGANIZATION

WHEREAS.

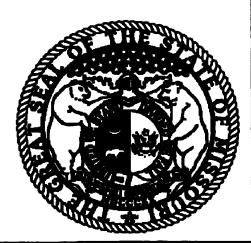
Billy Long Auctions, LLC LC0937786

filed its Articles of Organization with this office on the 29th day of December, 2008, and that filing was found to conform to the Missouri Limited Liability Company Act.

NOW, THEREFORE, I, ROBIN CARNAHAN, Secretary of State of the State of Missouri, do by virtue of the authority vested in me by law, do certify and declare that on the 29th day of December, 2008, the above entity is a Limited Liability Company, organized in this state and entitled to any rights granted to Limited Liability Companies.

IN TESTIMONY WHEREOF, I hereunto set my band and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 29th day of December, 2008.

Robin Carmahan Secretary of State





## State of Missouri Robin Carnahan, Secretary of State

Corporations Division P.O. Bux 776 / 666 W. Moin Street, Rm 322 Jefferson City, MO 65162

## **Articles of Organization**

File Number: LC0937786

Date Filed: 12/29/2008

Secretary of State

Robin Carnahan

	•		. <b></b> 5		
1.	The name of the limited lial	cility company is:	•		
	Billy Long Auctions, LLC	}			
	(Adjust in	chair "Limited Liebility Company," "Limited C	***, "7C, "ZC," "LC,	- LICT	
2.	The surroce(s) for which th	e limited liability company is organiz	to buy and sell prop	orly at public auction	
<b>_</b>	The perpension to which the	o manage manage company to tellum.	:		
3.	The name and address of th	e limited liability company's registered	l agent in Missouri is:		
	J. Mark Hessiline	3041 S. Kimbrough, Springl	luid MO 65807		
	Name	Street Address: May not use P.O. Bu	union street address also prov	ded Clip/Stat	<b>√Z</b> }
4.	The management of the lim	ited liability company is vested in:	Ø managers 🖸	members (check or	
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5.		n the limited liability company is to disime, which may be any number or per		ars the limited	
	beauty sampled to to their	and warm and as and armed or be		•	
	The extract in this case	otion could cause possible tex consequences, ye	سمير والنب المسمور عار والنب سم	atterner er erreusten)	
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6.	The name(s) and street addr (Organiz	ess(es) of each organizer (P.O. Bur may ar(s) are not required to be momber(s)	mly be med in addition to a phy , manager(s) or owner(s)	sical street address):	
J. Ma	rk Hassiline, 3041 S. Klimbr	ough, Springfield, MO 65807			
		•			·
7.	The effective date of this de	pourment is the date it is filed by the S	scretary of State of Misso	eri, uniess vou	
		•			
	indicate a future date, as fo		be more than 90 days after the f	المهالية والأراد والمرار	
		,			
14.65	rmstion thereof, the facts state	d above are true and correct:			
(130 A	densities and angulation of the	lse statements made in this filing are	subject to the penalties pro	wided under Section 57	75.040, RSMo)
		J. Mark Heselline		Break 1	4 2/50
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	19		Printed Name		Date
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Adde	es: 3041 S. Kimbrough				
City,	State, and Zip Code: Spring	ield, MO 55807		1418914 1418914	
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